

SEC. 11. That the bonds to be issued by said reorganized company shall run for a period not exceeding thirty years, and shall bear interest at the rate of six per cent. per annum, payable semi-annually on the first day of January and July; and said bonds shall begin to bear interest on the first day of January, 1881, and not earlier.

Bonds to run not exceeding thirty years.

Interest

SEC. 12. That of said first mortgage bonds there shall be delivered to the Treasurer of said State the sum of five hundred and fifty thousand dollars (\$550,000), par value, in payment for the disbursements of said State on account of said Company; and until the delivery of said bonds, said State shall retain the lien it now has upon the property of the company as provided by law.

\$550,000 mortgage bonds to be delivered to state treasurer.

State to retain present lien until delivery of bonds

SEC. 13. That any second or subsequent mortgage that may be executed and the bonds that may be issued thereunder, shall have expressed in the body thereof the like provision that they are issued for the purpose of completing said railroad, and cannot be foreclosed until the same shall have been completed to Paint Rock and Murphy.

Second and subsequent mortgages.

SEC. 14. That Thomas J. Jarvis, Zebulon B. Vance and John M. Worth, be, and they are hereby, appointed commissioners to examine the work upon said road, and in the event of the death, resignation or disability of any one of them, then the survivors shall, with the approval and concurrence of said grantees or their assigns, select a successor, who shall be clothed with the same powers and duties as his predecessor, and the same as often as such vacancy or disability shall occur. The expenses of said commissioners shall be borne by said company, and the pay of the commissioners is hereby fixed at ten dollars per diem, each, exclusive of actual traveling expenses.

Commissioners to examine work.

Vacancy.

Expenses of commissioners. Compensation.

SEC. 15. That said commissioners shall, from time to time, and certainly as often as ten miles of said road shall be put in running order, examine the work thereon; and, in case of failure of said grantees, or their assigns, to conduct the same according to the terms of their said contract, to give due notice thereof to the Governor of said

Duties of commissioners.